

**Introduced by Senator Walters**

December 1, 2008

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Senate Constitutional Amendment No. 1—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 9 of Article II thereof, and by amending Sections 8 and 12 of Article IV thereof, relating to the state budget.

LEGISLATIVE COUNSEL'S DIGEST

SCA 1, as introduced, Walters. State budget.

(1) Existing constitutional provisions require each house of the Legislature to pass a bill appropriating money from the General Fund, except appropriations for the public schools, by a  $\frac{2}{3}$  vote.

This measure would provide, as an exception to this vote requirement, that if the total amount of General Fund appropriations in a Budget Bill, as defined, for the ensuing fiscal year combined with all other General Fund appropriations for that fiscal year on the date of passage does not exceed by 5% or more the amount of General Fund appropriations for the immediately preceding fiscal year, as determined by the Department of Finance, the Budget Bill may be passed by a majority vote.

(2) Existing constitutional provisions provide that a statute takes immediate effect upon enactment if the statute calls for an election, provides for a tax levy or makes an appropriation for the usual and current expenses of the state, or is an urgency statute. The California Constitution exempts these statutes from the referendum, which is the power of the electors to approve or reject statutes or parts of statutes.

This measure would provide that statutes enacting a Budget Bill meeting the condition set forth in (1) above also take effect immediately, and are not subject to referendum.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

1     *Resolved by the Senate, the Assembly concurring,* That the  
2     Legislature of the State of California at its 2009–10 Regular  
3     Session commencing on the first day of December 2008, two-thirds  
4     of the membership of each house concurring, hereby proposes to  
5     the people of the State of California that the Constitution of the  
6     State be amended as follows:

7     First—That Section 9 of Article II thereof is amended to read:

8     SEC. 9. (a) The referendum is the power of the electors to  
9     approve or reject statutes or parts of statutes except urgency  
10    statutes, statutes calling elections, *statutes enacting budget bills*  
11    *meeting the condition set forth in paragraph (2) of subdivision (d)*  
12    *of Section 12 of Article IV*, and statutes providing for tax levies or  
13    appropriations for usual current expenses of the State.

14    (b) A referendum measure may be proposed by presenting to  
15    the Secretary of State, within 90 days after the enactment date of  
16    the statute, a petition certified to have been signed by electors  
17    equal in number to 5 percent of the votes for all candidates for  
18    Governor at the last gubernatorial election, asking that the statute  
19    or part of it be submitted to the electors. In the case of a statute  
20    enacted by a bill passed by the Legislature on or before the date  
21    the Legislature adjourns for a joint recess to reconvene in the  
22    second calendar year of the biennium of the legislative session,  
23    and in the possession of the Governor after that date, the petition  
24    may not be presented on or after January 1 next following the  
25    enactment date unless a copy of the petition is submitted to the  
26    Attorney General pursuant to subdivision (d) of Section 10—~~of~~  
27    ~~Article II~~ before January 1.

28    (c) The Secretary of State shall then submit the measure at the  
29    next general election held at least 31 days after it qualifies or at a  
30    special statewide election held prior to that general election. The  
31    Governor may call a special statewide election for the measure.

32    Second—That Section 8 of Article IV thereof is amended to  
33    read:

34    SEC. 8. (a) At regular sessions no bill other than the budget  
35    bill may be heard or acted on by committee or either house until  
36    the 31st day after the bill is introduced unless the house dispenses

1 with this requirement by rollcall vote entered in the journal, ~~three~~  
2 ~~fourths~~ *three-fourths* of the membership concurring.

3 (b) The Legislature may make no law except by statute and may  
4 enact no statute except by bill. No bill may be passed unless it is  
5 read by title on ~~3~~ *three* days in each house except that the house  
6 may dispense with this requirement by rollcall vote entered in the  
7 journal, ~~two-thirds~~ *two-thirds* of the membership concurring. No  
8 bill may be passed until the bill with amendments has been printed  
9 and distributed to the ~~members~~ *Members*. No bill may be passed  
10 unless, by rollcall vote entered in the journal, a majority of the  
11 membership of each house concurs.

12 (c) (1) Except as provided in paragraphs (2) and (3) ~~of this~~  
13 ~~subdivision~~, a statute enacted at a regular session shall go into  
14 effect on January 1 next following a 90-day period from the date  
15 of enactment of the statute and a statute enacted at a special session  
16 shall go into effect on the 91st day after adjournment of the special  
17 session at which the bill was passed.

18 (2) A statute, other than a statute establishing or changing  
19 boundaries of any legislative, congressional, or other election  
20 district, enacted by a bill passed by the Legislature on or before  
21 the date the Legislature adjourns for a joint recess to reconvene in  
22 the second calendar year of the biennium of the legislative session,  
23 and in the possession of the Governor after that date, shall go into  
24 effect on January 1 next following the enactment date of the statute  
25 unless, before January 1, a copy of a referendum petition affecting  
26 the statute is submitted to the Attorney General pursuant to  
27 subdivision (d) of Section 10 of Article II, in which event the  
28 statute shall go into effect on the 91st day after the enactment date  
29 unless the petition has been presented to the Secretary of State  
30 pursuant to subdivision (b) of Section 9 of Article II.

31 (3) Statutes calling elections, statutes providing for tax levies  
32 or appropriations for the usual current expenses of the State,  
33 *statutes enacting budget bills meeting the condition set forth in*  
34 *paragraph (2) of subdivision (d) of Section 12*, and urgency statutes  
35 shall go into effect immediately upon their enactment.

36 (d) Urgency statutes are those necessary for immediate  
37 preservation of the public peace, health, or safety. A statement of  
38 facts constituting the necessity shall be set forth in one section of  
39 the bill. In each house the section and the bill shall be passed  
40 separately, each by rollcall vote entered in the journal, ~~two-thirds~~

1 *two-thirds* of the membership concurring. An urgency statute may  
2 not create or abolish any office or change the salary, term, or duties  
3 of any office, or grant any franchise or special privilege, or create  
4 any vested right or interest.

5 Third—That Section 12 of Article IV thereof is amended to  
6 read:

7 SEC. 12. (a) Within the first 10 days of each calendar year,  
8 the Governor shall submit to the Legislature, with an explanatory  
9 message, a budget for the ensuing fiscal year containing itemized  
10 statements for recommended state expenditures and estimated state  
11 revenues. If recommended expenditures exceed estimated revenues,  
12 the Governor shall recommend the sources from which the  
13 additional revenues should be provided.

14 (b) The Governor and the Governor-elect may require a state  
15 agency, officer, or employee to furnish whatever information is  
16 deemed necessary to prepare the budget.

17 (c) (1) The budget shall be accompanied by a budget bill  
18 itemizing recommended expenditures.

19 (2) The budget bill shall be introduced immediately in each  
20 house by the persons chairing the committees that consider the  
21 budget.

22 (3) The Legislature shall pass the budget bill by midnight on  
23 June 15 of each year.

24 (4) Until the budget bill has been enacted, the Legislature shall  
25 not send to the Governor for consideration any bill appropriating  
26 funds for expenditure during the fiscal year for which the budget  
27 bill is to be enacted, except emergency bills recommended by the  
28 Governor or appropriations for the salaries and expenses of the  
29 Legislature.

30 (d) (1) No bill except the budget bill may contain more than  
31 one item of appropriation, and that for one certain, expressed  
32 purpose. ~~Appropriations~~ *Except as provided by paragraph (2),*  
33 *appropriations* from the General Fund of the State, except  
34 appropriations for the public schools, are void unless passed in  
35 each house by rollcall vote entered in the journal, two-thirds of  
36 the membership concurring.

37 (2) *If the total amount of General Fund appropriations made*  
38 *in a budget bill for a fiscal year, when combined with all*  
39 *appropriations from the General Fund for that fiscal year as of*  
40 *the date of the budget bill's passage, does not exceed by 5 percent*

1 *or more the total amount of General Fund appropriations made*  
2 *as of that date for the immediately preceding fiscal year, as*  
3 *determined by the Department of Finance, the budget bill may be*  
4 *passed in each house by rollcall vote entered in the journal, a*  
5 *majority of the membership concurring. For purposes of this*  
6 *section, Section 8, and Section 9 of Article II, a “budget bill” is a*  
7 *bill that makes appropriations for the support of the government*  
8 *of the State for an entire fiscal year.*

9 (e) The Legislature may control the submission, approval, and  
10 enforcement of budgets and the filing of claims for all state  
11 agencies.

12 (f) For the 2004–05 fiscal year, or any subsequent fiscal year,  
13 the Legislature may not send to the Governor for consideration,  
14 nor may the Governor sign into law, a budget bill that would  
15 appropriate from the General Fund, for that fiscal year, a total  
16 amount that, when combined with all appropriations from the  
17 General Fund for that fiscal year made as of the date of the budget  
18 bill’s passage, and the amount of any General Fund moneys  
19 transferred to the Budget Stabilization Account for that fiscal year  
20 pursuant to Section 20 of Article XVI, exceeds General Fund  
21 revenues for that fiscal year estimated as of the date of the budget  
22 bill’s passage. That estimate of General Fund revenues shall be  
23 set forth in the budget bill passed by the Legislature.